

**Highlands at Ocean Point Condominium Association
Trustee Meeting
September 4, 2014
Pool Clubhouse**

Attendance: Trustees Rick Cash (Chair), Mark Wells, Jan Zabrieski, Pam Claughton, and Helen Jones

Observers: Jim Franke, Tom and Marie Young, Rita Potowski, Nancy Carini, Ginny Sands

At a regular meeting of the Highlands at Ocean Point Board of Trustees, held in the pool clubhouse, on Thursday evening, September 4, 2014, the Chair called the meeting to order shortly after 6:30 p.m.

1. Election of Officers

The first order of business was the election of officers. The Chair noted vacancies in the Secretary and Treasurer offices due to the resignations of Jean Carmichael and Bill Nolan, and commented that the Trustees could also vote on the Chair's position at this time if so desired. On motion of Trustee Wells, Rick Cash, Helen Jones and Pam Claughton were unanimously elected as Chairperson, Secretary and Treasurer respectively.

2. Future Meeting Dates

The next order of business was future meeting dates. In response to a request to consider changing the Trustee meeting scheduled for March, 5, 2015, to a night other than Thursday, Trustee Wells moved to reschedule the meeting to Monday, March 2, 2015. Approved unanimously. Unit owners will be notified of this change well in advance.

3. Web Site Update

The next order of business was the Highlands website. At the Chair's request, Trustee Jones provided a brief report with some basic information about the Highlands website. That report is incorporated in full into these minutes (appended at the end).

Upon hearing about the recommendation by Forte Design to move to a new platform, Trustee Wells moved to adopt the new platform, at a cost of \$400. After some discussion, it was decided to gather some more information about the website and postpone the decision to the December 4 Trustees meeting. Helen Jones will gather more specific information about the new platform and report back on December 4.

4. Budget and Maintenance Updates

The next order of business was budget and maintenance updates. In the absence of Maintenance Coordinator Donna Crone, Chairman Cash gave a brief verbal maintenance update, and requested that we let him know of any maintenance issues while Donna is on vacation.

In the absence of a Treasurer, the Chair provided a balance sheet and income/expense statement dated 8/31/2014. He observed that there has been little change from the financial reports that were distributed on August 21 at the Owners' Meeting, and invited questions. There were none.

5. Budget Process And Timeline for 2015 Budget

The next order of business was the process and timeline for developing the 2015 budget. In the absence of a Treasurer, Chairman Cash submitted a draft 2015 budget that he had prepared to get the process started. He noted that our biggest expense is our dues to Ocean Point Management Trust (OPMT). Since we don't have dues figures from OPMT yet, he estimated the dues for 2015 at essentially equal to 2014 dues. He expects them to remain flat, or possibly even drop. OPMT has a budget meeting scheduled for Sept. 18, and their annual Owners Meeting on Sept. 25. We won't have the actual OPMT figures until after those meetings.

The draft 2015 HOP budget is based on the 2014 budget and 2014 actual spending, resulting in a few changes from the 2014 budget. The Chair noted a few such changes from 2014:

- Since we had no legal expenses in 2014, the draft budget recommends reducing the budget for legal expense from \$6,000 in 2014 to \$1,500 for 2015.
- Since we will exceed our electric budget of \$18,000 for 2014, the draft budget recommends increasing this to \$22,000 for 2015. It was observed that this higher than expected spending is likely the result of the hard winter and use of the electric heaters in entryways.
- The draft budget recommends a slight increase to the maintenance and repair line, from \$15,000 to \$18,000, because costs will rise as things are getting older.
- Since we exceeded our snow removal budget of \$7,000, actually spending \$10,000 last winter, the draft budget recommends raising the line slightly to \$8,000.
- Lawn care costs are actually down.

6. Lawn Care Quotes Timeline

The next order of business was lawn care quotes. Chairman Cash reported that he has a Request for Proposals (RFP) for this purpose ready to go out, and offered to send the Trustees the RFP if they would like to review it. The Trustees thanked him and indicated that they would.

Trustee Wells requested that a quote be solicited from Daryl Lawrence Landscaping, and Chairman Cash said that he would do so.

7. Snow Removal and Sanding Guidelines

The next order of business was guidelines for snow removal and sanding. The Chair requested input from the Trustees regarding when to plow and shovel. Do we want to pay Egan for plowing when there is an inch of snow, or ask him to come only when there is 3 inches or more, or instruct him not to plow unless and until we call him? The concerns are, on the one side, the cost of so many dates of service, and, on the other side, the possibility of someone slipping and falling, and our liability for injuries.

No decision was made at this meeting; but the Chair requested that the Trustees think about it and be prepared to decide by the next meeting so that we can give Egan guidance.

8. Insurance Quote Timeline

The next order of business was the timeline for getting the annual insurance quote. Chairman Cash stated that Maintenance Coordinator Donna Crone gets quotes through Lorell Management, and that she will do so as soon as possible.

9. Power Washing Discussion

The next order of business was a discussion of power washing of buildings. The Chair opened the discussion, noting that there are a variety of opinions on the value of power washing shingles. The discussion confirmed this; Trustees and Owners who had previously owned shingle houses, and an Owner who ran a point store, contributed their experience. The conversation included the following points: Concerns expressed included that power washing damages the soft pulp and takes out the natural oils, and should only be done prior to painting the shingles. If shingles are power washed and left unpainted, it is important to use a high quality sealer (e.g., not Thompsons). There was also a concern about water getting up underneath the shingles and causing mold. Alternative maintenance approaches proposed included washing with a pump spray rather than a power washer, for which a lift would be necessary; using an apparatus with a long handle to reach the high areas; and washing with a mixture of bleach and water rather than deck cleaner.

Chairman Cash posed the question, “does power washing extend the life of the shingles?”, and, if not, whether we want to continue to do it, at a cost of \$15,000 per building to do it. The Chairman offered to continue to investigate, but noted that he was leaning toward discontinuing power washing; other Trustees informally concurred.

10. Special Projects for 2015

The next order of business was special projects for 2015, but the Chair postponed discussion of special projects until we discuss the reserves account. Comments related to special projects are included in the next section.

11. Discussion of Reserves Account

The next order of business was a discussion of the reserves account. Chairman Cash reported that he expects that reserves will be well over \$200,000 next year, and posed the question of whether we want to continue to set aside and leave untouched the full amount that we are legally required to set aside for this purpose, or whether we want to draw some down for special projects.

Trustee Jones asked that, before we answer the question, we define what we mean by special projects. She observed that the Capital Needs Assessment and Reserves Analysis commissioned by the Board in 2012 suggests that we will need much more than we are currently setting aside to cover future anticipated costs for such long-term items as elevators, roofs, etc. She asked, would we draw down from the reserves only to address the needs identified in the report, or might we draw down for special projects beyond those critical infrastructure needs included in the report? She also asked whether the Trustees had ever made a formal decision to implement the suggestions in the report, or just keep in on hand as a reference for making spending decisions on a year-to-year basis.

Chairman Cash stated that the report had been treated as informational; that no decision had been made on the 20-year plan outlined. No decision was reached.

12. Fall Newsletter

The next order of business was a fall newsletter. The Chair indicated that the Secretary has traditionally been responsible for meeting minutes, the website, and the newsletter. The newly elected Secretary expressed the hope that a group of interested Owners would take on the

newsletter with Trustee review before posting), since the redesign, reorganization, and updating of the website to be more useful to Owners, along with its ongoing maintenance, is in itself a large project. Four newsletters a year was proposed, beginning with a fall newsletter.

13. Old and New Business

The next order of business was old and new business.

Financial Responsibility for Leaks Causing Damage to a Common Area

Chairman Cash referenced two leaks that had caused damage to a common area, one in building 4, a leaky toilet that leaked onto and damaged a heat sensor in a common area; and one in building 29, a leak that damaged a common heat sensor in a storage area. He informed the Board that both our condo documents, and our legal counsel made it clear that when a Unit Owner has a leak that damages a common area, the Unit Owner can be held responsible for the cost. He has invoices ready to send to the two Unit Owners, but wanted to advise the Trustees before he sends them. He stated that Unit Owners have the right to appeal the charges, but that he is confident that the Association is within its legal rights.

Observer Questions

At this point, the Chair opened the floor to observers for questions. Questions focused on maintenance issues, the website, the problem of ice around dumpsters, and landscaping. The discussion identified some of the issues as OPMT responsibilities, rather than that of the Highlands.

Q: Where are the heat sensors?

A: In all hallways and unit.

Q: Can the non-working lamppost near unit 401 be removed (or repaired)?

A: That will be done; Earle wants an electrician to remove it in case there may be a live wire in it.

Q: If there's a live wire in it, can it be fixed?

A: We don't believe there is a live wire in it.

Q: There is a non-working lamppost near the pool also.

A: That one is OPMT's responsibility.

Q: Can gutters be put on buildings to redirect the water that rushes down from the roofs after heavy rain and wind?

A: We got a quote for that 3 or 4 years ago, but they didn't know where to direct the water. We'll address it.

Q: How expensive would it be?

A: It was \$12,000 just to drop downspouts to the ground; another \$20,000 to dig a trench to redirect the water.

Q: There are some inconsistencies in the website that we could easily fix if we moved to the new platform proposed and maintained the website ourselves. We might also consider using Survey Monkey to survey Owners about their use of and needs from the website.

A: We'll gather more information about the new platform and report back in the next meeting.

Q: There is a serious icing problem near the building 29 dumpster; an elderly resident fell and could not get up. Although the area was initially shoveled and salted, the recurring problem is caused by meltoff from the snowbanks created by plowing and shoveling. There is melting, then re-freezing, and it becomes a sheet of ice.

A: We can put salt by the dumpsters.

Q: Would the Board consider addressing some of the issues identified in the Capital Needs Assessment and Reserves Analysis?

A: Those issues are being addressed. It was acknowledged that Owners don't always see that, and that it may be an indicator of a need for better communication around how that report is being used.

Q: Could the landscaping and trimming extend beyond the tennis courts, to the trees beyond?

A: Yes, landscaping will extend beyond the tennis courts.

Q: There is a persistent problem of an Owner continuing to allow her 14-15-month old to be in the kiddie pool.

A: The Chairman will speak with that Owner.

Q: What will be the process for finalizing the 2015 budget?

A: The Trustees will set up a Budget Committee, who will continue to work on the budget by email between now and the December 4 Trustees meeting. The intent is to vote on the budget at the December 4 meeting. Owners present expressed a desire to be apprised of the Budget Committee's work, and to see subsequent drafts of the 2015 budget as it takes shape in preparation for the December 4 meeting. Because the work occurs mostly by email and telephone, Owners have not been provided an opportunity to observe, ask questions, and provide input prior to the budget being presented at the December 4 Trustees meeting.

Decision: It was proposed, and agreed, that the work of the budget committee, including a new version each time the draft budget is updated, will be posted to the Owners Page on the Highlands website.

Q: Is the broken fence an OPMT issue?

A: Yes.

Q: Could next year's maintenance budget include cleaning the dryer vents? It hasn't been done in some time. Also, some of the dryer vent flaps are missing.

A: Vents are being cleaned, building by building. Building 30 was done 2 years ago. Robert's Roofing has been lined up to fix the missing vent flaps.

Q: Can the maintenance budget include cleaning of mold from decks that don't get any sun? Although the previous maintenance man, David, cleaned some mold from building 4, he didn't seal them well, and didn't finish the front.

A: Earle will check all the buildings and will address mold as needed.

Q: Can the accountant's end-of-year fiscal review be published to the website, with all notes?

A: Yes.

14. Adjourn

On motion of Chairman Cash the Trustees adjourned at 8:00 p.m.

Respectfully submitted, Helen Jones, Secretary, September 9, 2014

Approved: Rick Cash, Chairman, September 10, 2014

Appendix: Web Site Update Report (item #3)

THE HIGHLANDS WEBSITE – SOME BASIC INFORMATION

Who maintains and updates the Highlands website? Who originally licensed the domain? When is it up for renewal?

The website is hosted, maintained and updated by Forte Design & Hosting, which is the company of Michael Forte, the brother of former Trustee Frances Forte (unit 2506). Forte Computer Services copyrighted the site and licensed the domain in 2009; the domain name (highlandsatoceanpoint.com) was last renewed in April 2014.

What is the cost to the Highlands of maintaining the site?

Our annual cost is currently \$172.95, paid to Forte Computer Services. This is comprised of two charges: (1) an annual web hosting fee of \$135, which covers maintenance support, loading new pages and making changes as needed; and, (2) an annual fee of \$37.95 to renew the domain name.

What was the original vision for and purpose of the website?

In the summer of 2009, the Trustees voted to establish a website "containing information of use and interest to owners as well as realtors and prospective owners". The vision was that it would be "functional for owners and those who deal with us like insurance companies, mortgagors, and real estate agents, but also to be a marketing tool and add to our (web) curb appeal". (6/16/2009 and 8/5/2009 Trustees meeting minutes).

What is the process for adding, removing, or changing content on the website?

The Trustees send new content, such as meeting minutes or a meeting announcement, to Frances. Frances passes the content (or the request to remove or change content) on to her brother; Michael Forte physically makes the changes to the website.

Could the process for updating content be more direct?

It could. In fact, Michael Forte has been moving the sites he maintains to a new, more user-friendly platform. This new platform allows any authorized content provider to go in from any browser and edit pages, upload documents, change photos, etc. Because the new platform is a template-based application, the design has to stay within the parameters offered by the template, so there is a limit to the extent to which the current style can be exactly reproduced. Nevertheless, Michael believes that he can keep the general look and feel of the site. He reports that users have been happy with the new platform, mainly because they can make their own edits directly.

The cost to convert to this new platform would be \$400.

What information do we automatically get from the website?

- When a new owner signs up to access the Owners' webpage, the website sends an email alert to Frances Forte for approval (or denial) of the request.
- When owners use the "Maintenance Request" function on the web site, the website sends an email to Donna Crone containing the information they entered and all relevant unit/name/contact info.
- When owners enter a general request (non-maintenance) the website sends an email to Frances Forte; Frances forwards it to the Trustees. This happens rarely (once or twice per year).

Should we ever wish to have any of these emails sent to another person (e.g., a Trustee), that would be an easy change to make.

Are there user statistics available to see how frequently owners access various functions?

Forte Design & Hosting does not have stats on our site, but the new platform has this feature built in. On the new platform, site owners can see pages visited, traffic and a few other items.